SECRE

RECPT # Record

9 May 1986 OCA 86-1512

MEMORANDUM FOR: Director of Central Intelligence

FROM:

Dave Gries

SUBJECT:

Weekly Report

HPSCI this week marked up and reported out the House version of the Intelligence Authorization Act. Of note are the following:

--The bill contains the Nicaraguan and Angolan funding prohibitions which we expected as well as a provision making permanent last year's one year reporting requirement for covert arms transfers

--HPSCI included a number of its own provisions, including relief for the small number of CIA "former spouses" not covered by the legislation of several years ago. In addition, HPSCI included a provision to take away the pension of a federal employee convicted of violating the identities legislation.

--NSA persuaded HPSCI to include in the bill provision authorizing NSA to pay the college tuition of certain high school seniors. Participating seniors would have to agree to enroll in degree courses leading to the development of skills "critical" to NSA's mission and thereafter work at NSA. With our cooperation, HPSCI prepared and included a provision authorizing the DCI to establish a similar program.

Action by the SSCI on its bill is expected next week.

Senate staff indicates they are very close to reaching an agreement with OMB on the Supplemental Retirement Bill. Once agreement is reached they will go to conference, after which they anticipate rapid passage through both Houses.. As you know, since I May those employees hired after January 1984 have been subjected to paying into two retirement systems. Hopefully any agreement will include a refund provision.

The Senate Finance Committee's recent action on the tax reform bill included a 2 year phaseout of the 3 year recovery rule for federal employees. In doing so the Committee set aside an earlier Chafee amendment that would have preserved the 3 year rule. Since the House has already voted to eliminate the rule, the outlook is not promising.

Several weeks ago Rep. Don Edwards wrote asking a number of broad ranging questions concerning Agency contractual relations with U.S. academics. After unsuccessfully attempting to deflect Edwards' inquiries to HPSCI, we decided the best approach would be an oral briefing which is scheduled for next week. DDI, OGC and OCA personnel will represent CIA.

25X1

25X1

Distribution:

Original - Addressee

1 - DDCI

1 - EXDIR

1 - ER

1 - Comptroller

1 - D/PAO

1 - General Counsel

1 - D/OP

1 - D/ICS

1 - D/OCA Chrono

1 - EO/OCA

1 - DD/House Affairs/OCA

1 - DD/Senate Affairs/OCA

1 - DD/Legislation/OCA

1 - OCA Subject
1 - OCA Chrono